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RHEBAAA/DEPT OF ENERGY WASHINGTON DC PRIORITY
RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY
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S E C R E T SECTION 01 OF 06 LAGOS 000743

SIPDIS

SIPDIS

STATE PASS DOE FOR DAS JBRODMAN AND CGAY
COMMERCE FOR KBURRESS
STATE FOR S/CT MTHOMPSON AND JWEBSTER
STATE FOR AF/EX, DS/IP/AF, DS/IP/MSG, DS/IP/OPO, DS/IP/FPO,
DS/ICI/PII, DS/ICI/CR, DS/DSS, DS/IP/ITA, DS/OSAC, CA/EX

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TAGS: [PGOV](#) [EPET](#) [PINS](#) [PTER](#) [NI](#)
SUBJECT: THE NIGER DELTA: CURRENT STATE OF PLAY

REF: A. LAGOS 00741
[1](#)B. JUNE 2 COLLINS - GOODMAN TELCON

Classified By: CONSUL GENERAL BRIAN L. BROWNE. REASONS 1.4 (B) AND (D)

[1](#)1. SUMMARY (C) (Note: This cable was drafted prior to the latest hostage-taking which occurred off the coast of Bayelsa State during the early morning hours of June 2. A more detailed report of that incident will be provided Septel. At this juncture, most of the evidence suggests this hostage-taking was not authored by those who committed the previous incidents earlier this year. End note.) The Niger Delta has not experienced disruption by militant groups since the last hostage crisis ended late March. This respite is welcome but likely transient. Ingredients for significant militant action remain in play: Lack of visible government progress on economic development, periodic community squabbles with the oil companies, agitation for economic and political autonomy in the region, high levels of violent criminality, oil bunkering, proliferation of Ijaw militant groups, and an ambiguous, informal cease-fire between the militants and GON military. The apparent exsanguination of President Obasanjo's third term designs has salved an Ijaw sore spot; but now the imminent tumult of Nigerian electoral politics threatens to move the admixture of unstable ingredients in the Delta to more volatile proportions.

[1](#)2. (C) For the time being, both Obasanjo and Ijaw leaders are making nice statements and smiling at each other. Each side has their own reasons for the pretense. Ijaw militant groups capable of significant attacks against the oil production infrastructure have, for the time being, decided to forego action. Not wanting to be painted as recalcitrant, they have elected to give Obasanjo a chance to prove his Delta Commission and the promise of development emanating from it are not hollow. That, and the receipt of enough cash to keep them entertained ensures they will be out of action at least until the money runs out. Meanwhile, Obasanjo must have a serious migraine after his third term dreams were dashed. Trying to recover from this severe defeat, Obasanjo does not need a new round of trouble in the Delta. However,

Obasanjo may be too preoccupied with his political life to devote sufficient attention and resources to the Delta. Thus, while the militants are waiting for the sand to dwindle out of the hourglass before they take action, Obasanjo is satisfied with temporizing for as long as possible. Sooner or later the gap between these two perspectives will become too apparent to endure. This revelation will ultimately rupture the expedient truce between the GON and the Ijaw militants. Consequently, a return to militant activity is not only possible, it may just lie over the horizon. END SUMMARY

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WHAT HAS HAPPENED
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¶3. (C) Since the second hostage crises ended late March, President Obasanjo has established a presidential Commission on the Delta. The Commission has met twice, April 5 and April 18. Initially, most Ijaw leaders and, more importantly, the Ijaw militant groups denounced the Commission as an artifice for political grandstanding by a third-term seeking Obasanjo. After an informal, somewhat combative meeting between Obasanjo and Ijaw leader Edwin Clark, the Ijaws decided to give the Commission a chance provided Obasanjo increased Ijaw participation in the Commission and open an informal parallel dialogue exclusively with Ijaw leaders, including representation chosen by the militants.

¶4. (C) Almost a month has transpired since the Obasanjo-Clark session, but the Commission has not met. On May 27, Obasanjo held a meeting with FDNIC leaders. A

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reliable source said the meeting was inconclusive as the President did most of the talking and that was mostly a restatement of past promises to bring economic development to the Delta. No new ground was broken. In mid-May, Obasanjo did select Albert Horsfall, former SSS director in the Babangida regime, to chair the Delta Commission. Horsfall is from Rivers State but is not Ijaw. His selection elicited anger from many Ijaws in the Delta; a small but vociferous protest occurred in Port Harcourt. (Comment. For some, Obasanjo's selection of a "security man" revealed Obasanjo still saw the challenge in the Delta as primarily a law enforcement issue and continued to discount its socio-economic dimensions. Others did not like the fact that Horsfall is not Ijaw. Still others saw Horsfall as a potent political rival and opposed anything that might increase his status and influence as the 2007 electoral season nears. End Comment)

¶5. (C) Trying to portray the GON and himself as being active, senior Niger Delta Development Commission official Timi Alaibe told us he has been leading informal, discrete negotiations with the Ijaw militants. However, leading human rights activist in the Delta, Ledum Mittee, complained the President has been buying the militants' quiet in recent weeks. Mittee contended Obasanjo paid militants two million Naira (\$150,000 USD) last week to stop them from causing any disturbance during Obasanjo's visit to Rivers State. On a recent visit to the area, an Embassy source reported 10 militants, many of whom were involved in the two kidnappings, frequenting a local pub, imbibing in copious amounts of Moet champagne, and dropping "a lot of cash."

¶6. (C) Since the last hostage crisis, the militant group that engineered the kidnappings, (hereinafter referred to as FDNIC) has been quiescent. Contacts who have visited the FDNIC camp state the group continues to train and maintain a level of readiness that exceeds the Nigerian military,s. Although FDNIC has been inactive, there have been two fatal car bombings, an apparently premeditated drive-by homicide of an American oil service employee, the murder of ten police officers and other violent acts. The authors of these events

have not been identified and there is no evidentiary connection to FDNIC. However, these acts buttress the unfortunate conclusion that violence has become institutionalized as part of the behavioral fabric of the Niger Delta. It is increasingly the preferred conflict resolution mechanism for the area's rougher inhabitants. In this milieu, civil society groups and leaders who espouse nonviolence have waning influence.

17. (C) For months, oil production has been reduced by 25 percent and the national electrical output has been halved due to the February militant attacks against oil facilities. Because of record oil prices, the GON is not particularly afflicted by this drop in oil quantity. However, most of the oil loss is Shell's and that company's calculations are different than the GON's. To a large degree, the company must view the lost barrels as lost profits. Other companies have sighed in relief that Shell has been the object of militant attention; but these companies also fear the militants may be more liberal in their attentions should there be a subsequent round of disruptive activity. With regard to the electricity output, its reduction has elongated the duration of blackouts throughout the country, further crippling the quality of life and business activity for the average Nigerian who cannot afford a generator as an alternative source of power.

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THE PLAYERS AND WHO WANTS WHAT
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18. (C) The Niger Delta is a complex of actors with different interests and objectives. A brief rundown of the key players and their primary interests helps illustrate this problem and

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why sustained, exceptional statesmanship is required to achieve progress and lower tensions.

- - FDNIC/MEND (boys in the creek): Thus far, they are the only militant group with the demonstrable capacity and daring to launch large-scale attacks against the oil production. Their tactics are extreme. However, within the spectrum of Ijaw thought, their actual political and economic demands are moderate. They seek amnesty for their actions as well as economic development projects for their localities and to a lesser extent, the wider Ijaw nation. They want greater resources control but are not pressing for significant political autonomy nor for Ijaw succession for Nigeria. They seek the release from custody of militant Dokubo Asari and former Bayelsa Governor Alamieyeseigha. They are not too concerned about the plight of other ethnic groups in the Delta.

They are willing to remain inactive temporarily. But the internal dynamics of the group and pressure from the larger Ijaw community can propel them to resume disruptive activity if the GON is not seen as delivering on the promise of economic relief for the Delta.

Having trained its members and intoxicated them with militant ethnic rhetoric, the FDNIC leadership cannot wait indefinitely in the face of GON insouciance. If so, the leaders risk being accused of selling out and being pushed aside in favor of personalities of more ardent caliber. Moreover, Ijaw politicians and radical intellectuals will pressure FDNIC to act. Any oil company or GON attempt to repair facilities without the militants' consent will be considered provocative and could spark another round of FDNIC attacks. Still, they have a good intelligence network, know the local geography and terrain better than anyone and are aided by sympathizers in the GON and Nigeria army. For now, FDNIC is willing to give Obasanjo's Commission a chance as they would rather see it work than have to resume direct confrontation with the GON military. They do not want a prolonged confrontation with the GON.

Although they are better trained and equipped on a per capita basis, the Nigerian military has many more effective soldiers in its ranks and the GON could ultimately defeat the militants in a protracted struggle.

- - MEND (The "City Intellectuals"): From the sketchy information we have gathered, there is a small but growing number of college-educated Ijaws in the cities of Port Harcourt and Warri who espouse various degrees of ethnic nationalism. The most adamant want a separate Ijaw nation.

Many of the more radical press statements and e-mail messages attributed to MEND come from this quarter. These intellectuals are allied with the boys in the creek, give advice and would like to control the armed outfit. There is a great deal of coordination and common identity, however, these urbanites do not control the creek-bound militants. These intellectuals would like to see Obasanjo's Commission fail to force a return to militant attacks and further disruption of oil production. How the recently reported award of an oil block to FNDIC will affect their resolve remains to be seen, but there are indications of discord between those in the creeks and those in the cities (see next paragraph).

- -Hardline Ijaw Politicians: Ijaw politicians have been energized by the militants and by the battle for greater resource control on the part of the oil-producing states. The politicians want to use the pressure created by the militants to push for the creation of additional Ijaw dominated states (Bayelsa is the lone predominantly Ijaw state although they claim to be the fourth largest ethnic group), greater political autonomy and possible succession. They fear that Obasanjo's Commission, if successfully, would force them to shelve these more ambitious political aims. They want the commission to fail.

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- - Ijaw Traditional Elders: Concerned about the welfare of the Ijaw nation, they are also concerned about their continued relevance therein, given the strength and popularity of the militant leaders among the Ijaw youth. While some of the elders are also hardline politicians, most are moderate. They want to use the Commission and the promised parallel discussions with Obasanjo to bring dividends to their people but also as a mechanism they can reclaim control over the militants by which being the primary negotiators with the federal government.

- - President Obasanjo: Paying significant attention and devoting massive resources to the Delta was never in his game plan. Given Obasanjo's proverbial stubbornness, he probably still does not want to readjust his priorities to the extent of making the Delta an everyday priority requiring everyday attention. After the foiled third term bid, a more sensitive politician might see this as a way to recoup some political capital by resolving a substantive problem most Nigerians agree needs a remedy. However, Obasanjo is likely to continue to take a minimalist approach toward the Delta.

- - Oil Companies: Given the significant loss of production, there must be internal pressure in Shell to repair damaged facilities in order to end the profit loss associated with the facility damage. Shell contacts informed us the company plans on buying several millions of dollar worth of vessels and equipment to provide to the GON military in order to enhance facility security. At first blush, this appears prudent. However, if not done properly, such a step could be seen as altering the balance of power between the GON military and Ijaw militants. In other words, this proposed augmentation could provoke a pre-emptive militant strike. Meanwhile, the oil majors and most associated oil service companies have withdrawn great number of workers from the creeks in the Delta. Over time, production levels will be strained if people cannot repair and maintain facilities in these outlying areas. Shell and the other oil companies have

been pressing the Nigerian military at security meetings held in April and May to bolster security around the oil facilities. Again, any move by the GON to bolster security will be seen by the militants as a provocative act that deserves an adversarial response.

- - GON Military: Hardliners in the military want to attack the militants at the first opportunity. If they had their druthers, they would launch a full scale offensive in which almost any collateral damage would be acceptable given the turbid conditions in the Delta. More moderate voices see military action as a big gamble that could fail give the relative parity between the militants and military capabilities. These moderates favor dialogue and hope the Commission works.

- - State Governors (Rivers, Bayelsa and Delta). The Rivers and Delta governors played a central role in arming several militant groups during the 2003 elections. Bayelsa, Jonathan at that time was Deputy Governor and may not have been intimately involved in financing militant Ijaw groups. Now that Obasanjo appears to be out of the presidential chase, Rivers State Governor Peter Odili believes he could succeed Obasanjo and may actually be the hand-picked successor. It is in Odili's interest to be seen as working to alleviate tension and lessen violence in the Delta. However, since he seeks Obasanjo's blessing, Odili cannot wander too far a field from Obasanjo and must be careful not to seem like he is attempting to upstage the President. He will support the Commission.

Bayelsa's Goodluck Jonathan, Nigeria's lone Ijaw governor would like the Commission to succeed and wants to take an active role to help his 2007 electoral campaign. Delta's Ibori will leave office in 2007. His primary goal is to leave office in the hands of an ally who will protect him

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once he no longer enjoys a governor's immunity for prosecution. Without some external prodding, his attention will be fixed on the 2007 election in Delta state and not in dealing with the militant situation in and around the city of Warri, although that city is one of the founts of Ijaw activity.

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NEXT STEPS
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19. (C/NF) While we have little influence over what the GON and the other actors do, we do have significant interest at stake. Thus we must use that limited influence wisely:

- - IJAW Militants: Via a network of indirect and low-level direct contacts, we are advising the militants to exercise patience and not to resort to violence. To build goodwill, Mission officers have and will periodically visit remote areas in the Delta to touch base with local communities and get a better sense of their grievances. However, we must be careful our contacts with the militants do not raise local expectations that we are assuming a larger role than is appropriate. We also must be careful the GON does not misinterpret our actions as encouraging the militants by giving them "international legitimacy."

- - Ijaw Traditional Leaders: We will continue to talk to Chief Clark and others to encourage them to continue to dialogue with the GON whether in the Commission or via another channel.

- - Delta Commission: Now that Mr. Horsfall has been selected to lead the Commission, we will meet with him, encourage him to pick up the pace and to pay attention to the need to identify and begin to implement some short-term objectives that will symbolize the seriousness of the commission. This could lessen tensions and forestall a

resumption of militant activity.

- - State Governors: The Ambassador has been successfully working with Rivers Governor Odili to encourage him to devote more revenue to economic development projects. We will seek to push the Bayelsa and Delta Chief executives in a similar direction.

- - Nigeria Military: We will continue to liaise with them and to counsel restraint. We must also walk a fine line here. We need to help and assist the Nigeria military, particularly for their participation in international peacekeeping operations. However, we must be careful that the assistance we offer is not overtly directed at helping combat the militants. If so, this could change the militant's thus far hands-off policy concerning American oil majors Exxon/Mobil and Chevron. (Comment: The militants have targeted Shell because they consider it a British company and because they perceive its relations with the local communities as being the worst among the big oil companies. End Comment)

- - Nigerian Law Enforcement: We are developing stronger informative links to the police and EFCC. The EFCC is attempting to take on a larger role in the Delta. We also plan to provide crisis management training to law enforcement agencies to enable them to better handle a future hostage crisis.

- - Oil Companies: We will continue to monitor production levels. Via weekly Overseas Security Advisory Council meetings, we have taken steps to better the exchange of security-related information in an attempt to help the companies protect staff and facilities. We will also offer non-lethal training to oil and oil service companies to increase the security awareness of their work crews and employees in the creeks. We are also educating companies

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about the law enforcement help and victim intervention service the USG can provide when AmCits are victimized.

- - Ambassador's Self Help/Democracy Funds: The Ambassador has earmarked all funds in these programs for projects in the Delta.

- - ESF: Use of a portion of FY-06 ESF could help fund additional economic development projects as well as be used to help leverage additional resources from the GON and the internal NGO community.

- - Consular: We continue to do regular cautions via our warden system and also to fine tune that system in order to make it more responsive during an emergency. We will conduct town hall meetings in the area to exchange information as well as keep abreast of the number of AmCits in the Delta and make sure they are registered with the Consular Section.

- - Visas Viper: We have begun to compile the requisite information on militant leaders and will regularly update the vipers list.

- - Public Affairs: Our Public Affairs section will focus on youth organizations, particularly entrepreneur training and skills development. We would like to explore bringing groups to the US for several weeks of training/internships, having them return to Nigeria with a US expert who will help adapt their new found knowledge to the local environment. PAS would like to explore several tertiary programs in petroleum/mining technology for qualified students from the Delta. In conjunction with Washington, PAS should encourage an op-ed on the Delta in a leading U.S. daily. The op-ed would focus on the need for a comprehensive economic development strategy for the Delta

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IF IT HAPPENS AGAIN
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¶10. (C) We have given thought to what happens if the militants return to their misconduct. If so, more than likely they will focus on damaging important pipelines or even a major facility. Militant leaders have stated that the previous hostage takings were opportunistic but also too protracted for their liking. They said that kidnapping is not their first option. However, it has given them the desired media coverage and also they have collected ransoms. While this might not be their preferred option, they have not ruled it out nor should we rule it out as a possibility. They have benefited from the two prior rounds of hostage taking. In this vein, Septel provides our thoughts on the most effective composition of Foreign Emergency Support Team (FEST) should we face another hostage crisis.
BROWNE